



General Assembly

February Session, 2008

Raised Bill No. 589

LCO No. 2770

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Referred to Committee on Energy and Technology

Introduced by:
(ET)

**AN ACT ESTABLISHING A RESIDENTIAL ELECTRIC AND GAS
CUSTOMER DISCOUNT RATE.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2008*) (a) As used in this
2 section, "means tested public benefit" means any assistance that
3 provides cash, housing, food or medical care, including, but not
4 limited to, transitional assistance for needy families, supplemental
5 security income, emergency assistance to the elderly, disabled and
6 children, food stamps, public housing, federally-subsidized or state-
7 subsidized housing, the Connecticut energy assistance program,
8 veterans' benefits, and similar benefits.

9 (b) The Department of Public Utility Control shall require that each
10 utility company shall provide discounted rates for residential gas and
11 electric service to low-income customers. The cost of such discounts
12 shall be included in the rates charged to all other customers of such
13 utility company. Each utility company shall guarantee payment to the
14 generation supplier for all power sold to low-income customers at said
15 discounted rates. Eligibility for the discount rates under this section
16 shall be established upon verification of a low-income customer's

17 receipt of (1) any means tested public benefit, or (2) verification of
18 eligibility for the Connecticut energy assistance program, or its
19 successor program, for which eligibility does not exceed two hundred
20 per cent of the federal poverty level based on a household's gross
21 income. The department shall make available to utility companies the
22 eligibility guidelines for said public benefit programs.

23 (c) The department is hereby directed to increase the low-income
24 discount eligibility rate from one hundred seventy-five per cent of the
25 federal poverty level to two hundred per cent of the federal poverty
26 level. In a program year in which maximum eligibility for the low-
27 income home energy assistance program, or its successor program,
28 exceeds two hundred per cent of the federal poverty level, a household
29 that is income eligible for the Connecticut energy assistance program
30 shall be eligible for the low-income discount rates required by this
31 section.

32 (d) A residential customer eligible for the low-income discount rates
33 shall receive the service on demand, and may return to standard offer
34 service at any time including from default service. Each utility
35 company shall periodically notify all customers of the availability of
36 and method of obtaining the low-income discount rates and standard
37 offer services. An existing residential customer eligible for low-income
38 discount on the first day of retail access, who orders service for the first
39 time from a utility company, shall be offered discounted rates by such
40 distribution company. A residential customer eligible for the low-
41 income discount receiving standard offer service shall be allowed to
42 receive discounted rates upon moving within the service territory of a
43 utility company.

44 (e) No utility company shall charge any residential customer for
45 initiating or terminating low-income discount rates, default service, or
46 standard offer service, when such initiation or termination request is
47 made after a regular meter reading has occurred and the customer is in
48 receipt of the results of such reading. A utility company may impose a

49 reasonable charge, as set by the department through regulations
50 adopted in accordance with subsection (g) of this section, for initiating
51 or terminating low-income discount rates, default service, or standard
52 offer service when a customer does not make such an initiation or
53 termination request upon the receipt of such meter results and prior to
54 the receipt of the next regularly scheduled meter reading. For purposes
55 of this subsection, there shall be a regular meter reading conducted of
56 every residential account no less often than once every two months.
57 There shall be no charge when the initiation or termination is
58 involuntary on the part of the customer.

59 (f) Each utility company shall conduct substantial outreach efforts to
60 make such low-income discount available to eligible customers and
61 shall report to the department, at least annually, as to its outreach
62 activities and results.

63 (g) The department shall adopt regulations, in accordance with
64 chapter 54 of the general statutes, to implement the provisions of this
65 section, including requiring utility companies to produce information,
66 in the form of a mailing, or other approved method of distribution, to
67 their consumers, to inform them of available rebates, discounts, credits
68 and other cost-saving mechanisms that can help them lower their
69 monthly utility bills.

70 (h) On or before January 1, 2009, the department shall report, in
71 accordance with section 11-4a of the general statutes, to the joint
72 standing committee of the General Assembly having cognizance of
73 matters relating to energy, regarding the cost and benefits of
74 expanding eligibility for the discount rates established under this
75 section to any low-income customer who is eligible for any means
76 tested public benefit for which eligibility does not exceed one hundred
77 seventy-five per cent of the federal poverty level based on gross
78 household income. The department shall include any legislative
79 recommendations necessary to implement this section. The
80 department shall make recommendations to the General Assembly

81 relative to the continuation of the low-income discount rate authorized
82 pursuant to this section or to make modifications thereto. The
83 department shall, in its recommendations, consider whether or not to
84 modify said discount by establishing a sliding scale low-income
85 discount program.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2008</i>	New section

Statement of Purpose:

To require utility companies to provide discounted rates for residential gas and electric to low-income customers.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]